



House of Representatives

General Assembly

File No. 304

February Session, 2002

Substitute House Bill No. 5715

House of Representatives, April 3, 2002

The Committee on Public Health reported through REP. EBERLE of the 15th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CREATING A PROGRAM FOR QUALITY IN HEALTH CARE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2002*) (a) There is established a
2 quality of care program within the Department of Public Health. The
3 department shall develop for the purposes of said program (1) a
4 standardized data set to measure the clinical performance of health
5 care facilities, as defined in section 19a-630 of the general statutes, and
6 require such data to be collected and reported periodically to the
7 department, including, but not limited to, data for the measurement of
8 comparable patient satisfaction, and (2) methods to provide public
9 accountability for health care delivery systems by such facilities. The
10 department shall develop such set and methods for hospitals during
11 the fiscal year ending June 30, 2003, and for other such health care
12 facilities during subsequent fiscal years.

13 (b) In carrying out its responsibilities under subsection (a) of this
14 section, the department shall develop the following for the quality of

15 care program:

- 16 (1) Comparable performance measures to be reported;
- 17 (2) Selection of patient satisfaction survey measures and
18 instruments;
- 19 (3) Methods and format of standardized data collection;
- 20 (4) Format for a public quality performance measurement report;
- 21 (5) Human resources and quality measurements;
- 22 (6) Medical error reduction methods;
- 23 (7) Systems for sharing and implementing universally accepted best
24 practices;
- 25 (8) Systems for reporting outcome data;
- 26 (9) Systems for continuum of care; and
- 27 (10) Any other issues that the department deems appropriate.

28 (c) There is established a Quality of Care Advisory Committee
29 which shall advise the Department of Public Health on the issues set
30 forth in subdivisions (1) to (10), inclusive, of subsection (b) of this
31 section and on any other issues that the advisory committee deems
32 appropriate. The advisory committee shall meet at least quarterly.

33 (d) The advisory committee shall consist of (1) four members who
34 represent and shall be appointed by the Connecticut Hospital
35 Association, including three members who represent three separate
36 hospitals that are not affiliated of which one such hospital is an
37 academic medical center; (2) one member who represents and shall be
38 appointed by the Connecticut Nursing Association; (3) two members
39 who represent and shall be appointed by the Connecticut Medical
40 Society, including one member who is an active medical care provider;
41 (4) two members who represent and shall be appointed by the

42 Connecticut Business and Industry Association, including one member
43 who represents a large business and one member who represents a
44 small business; (5) one member who represents and shall be appointed
45 by the Home Health Care Association; (6) one member who represents
46 and shall be appointed by the Long Term Care Association; (7) two
47 members who represent and shall be appointed by the AFL-CIO; (8)
48 one member who represents consumers of health care services and
49 who shall be appointed by the Commissioner of Public Health; (9) one
50 member who represents a school of public health and who shall be
51 appointed by the Commissioner of Public Health; (10) one member
52 who represents and shall be appointed by the Office of Health Care
53 Access; (11) the Commissioner of Public Health or said commissioner's
54 designee; (12) the Commissioner of Social Services or said
55 commissioner's designee; (13) the Secretary of the Office of Policy and
56 Management or said secretary's designee; (14) two members who
57 represent licensed health plans and shall be appointed by the
58 Connecticut Association of Health Care Plans; (15) one member who
59 represents and shall be appointed by the federally designated state
60 peer review organization; and (16) one member who represents and
61 shall be appointed by the Connecticut Pharmaceutical Association. The
62 chairperson of the advisory committee shall be the Commissioner of
63 Public Health or said commissioner's designee. The advisory
64 committee may change the number of members on the committee by a
65 vote of not less than two-thirds of its members. The chairperson may
66 recommend to the advisory committee changes to the number of
67 members. Vacancies shall be filled by the person who makes the
68 appointment under this subsection.

69 (e) The chairperson of the advisory committee may designate one or
70 more working groups to address specific issues and shall appoint the
71 members of each working group. Each working group shall report its
72 findings and recommendations to the full advisory committee.

73 (f) The Commissioner of Public Health shall report on the quality of
74 care program on or before January 1, 2003, and annually thereafter, in
75 accordance with section 11a-4 of the general statutes, to the joint

76 standing committee of the General Assembly having cognizance of
77 matters relating to public health and to the Governor. Each report on
78 said program shall include activities of the program during the prior
79 year and a plan of activities for the following year.

80 (g) On or before April 1, 2004, the Commissioner of Public Health
81 shall prepare a report, available to the public, that compares all
82 licensed hospitals in the state based on the quality performance
83 measures developed under the quality of care program.

84 Sec. 2. (NEW) (*Effective October 1, 2002*) All hospitals, licensed
85 pursuant to provisions of the general statutes, shall be required to
86 implement quality management programs. Said programs shall be
87 certified by an independent quality auditing entity. Said programs
88 shall be submitted annually by each hospital to the Department of
89 Public Health as a condition of licensure.

This act shall take effect as follows:	
Section 1	<i>October 1, 2002</i>
Sec. 2	<i>October 1, 2002</i>

PH

Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Fund-Type	Agency Affected	FY 03 \$	FY 04 \$
GF - Cost	Department of Public Health	256,414	318,012
GF - Cost	University of Connecticut Health Center	Indeterminate	Indeterminate
GF - Cost	Office of Health Care Access	None	None
GF - Cost	Department of Social Services	None	None
GF - Cost	Office of Policy and Management	None	None
GF - Cost	Various	Potential Indeterminate	Potential Indeterminate

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill implements various policy changes regarding the quality of care in hospitals and other health care facilities and has fiscal impacts as follows:

Quality of Care Program

The Department of Public Health will incur an FY 03 cost of \$256,414 to implement the new quality of care program. Included in this sum is \$236,634 to reflect the three-quarter year salaries of 6 positions (to include 1 Supervising Nurse Consultant, 1 Nurse Consultant, 1 Associate Research Analyst, 1 Systems Developer II, and 2 Office Assistants), as well as \$19,780 in associated other expenses and equipment costs. (These expenses would be supplemented by fringe benefits costs of \$100,073 budgeted under miscellaneous accounts administered by the Comptroller.) In FY 04, DPH expenses would increase to \$318,012, to reflect the annualized salaries of these positions, and fringe benefits costs would rise to \$133,430.

These staff would be needed to allow the agency to identify performance measures, standardize data collection, identify human resources and quality measurements, identify methods for reducing medical errors and sharing and implementing best practices. The agency would develop and maintain a data system to house all collected data and generate reports mandated in the bill.

No funding for this purpose has been included within sHB 5019 (the Revised FY 03 Appropriations Act, as favorably reported by the Appropriations Committee).

The bill states that the quality of care program for hospitals will be developed in FY 03, while in FY 04 it will be extended to other "health care facilities" as defined in Section 19a-630 CGS. It should be noted that it is unclear whether the quality of care program would be intended to apply to "state health care facilities" as defined under this same section. Should the bill be interpreted to encompass state-operated facilities, a potential indeterminate cost would ensue for agencies including, but not limited to, the Departments of Mental Retardation, Mental Health and Addiction Services, Children and Families, Corrections, Veterans Affairs, as well as infirmaries operated by the constituent units of higher education. These costs would be associated with implementing the various data reporting mandates.

Hospital Quality Management Programs

The bill requires each hospital to implement quality management programs which must be certified by an independent quality auditing entity. These programs must be submitted annually to DPH as a condition of licensure.

As the University of Connecticut Health Center currently collects many of the program measures that are described in the bill it is not anticipated that providing such data to DPH would result in any fiscal impact. However, it is uncertain what would be required by an independent quality auditing entity certifying the "quality management program." Consequently, the cost associated with

compliance with the certification mandate is indeterminate.

Quality of Care Advisory Committee

It is anticipated that representatives of the Office of Health Care Access, the Office of Policy and Management, the Department of Public Health and the Department of Social Services will be able to participate as members of the newly established Quality of Care Advisory Committee within each agency's respective anticipated budgetary resources. As members will not be entitled to reimbursement for expenses, no fiscal impact is anticipated due to formation of the committee.

OLR Bill Analysis

sHB 5715

AN ACT CREATING A PROGRAM FOR QUALITY IN HEALTH CARE**SUMMARY:**

This bill requires the Department of Public Health (DPH) to establish a quality of care program for health care facilities. DPH must develop a health care quality performance measurement and reporting system initially applicable to the state's hospitals. Other health care facilities come under the quality program as it develops in later years. An advisory committee, chaired by the DPH commissioner, advises the program.

The bill directs DPH to produce a report that compares the state's hospitals based on quality performance measures. Finally, the bill requires all hospitals to implement quality management programs. These programs must be certified by an independent quality auditor entity and submitted annually to DPH as a condition of licensure.

EFFECTIVE DATE: October 1, 2002

QUALITY OF CARE PROGRAM***Program Establishment***

The bill directs DPH to develop a quality of care program for health care facilities in the state. DPH must develop (1) a standardized data set of clinical performance measures which must be collected and reported periodically to the department, including data to measure patient satisfaction and (2) methods to provide public health accountability for health care delivery systems by such facilities. DPH must first develop the data set and methods for hospitals during FY 2002-03, and for other health care facilities in subsequent fiscal years.

Other health care facilities include outpatient clinics, freestanding outpatient surgical facilities, imaging centers, home health agencies, clinical laboratories, residential care homes, nursing homes, rest homes, nonprofit health centers, diagnostic and treatment facilities,

rehabilitation facilities, and mental health facilities.

Program Elements

DPH must develop the following elements for the quality of care program: (1) reportable comparable performance measures; (2) patient satisfaction survey measure and instrument selection; (3) data collection methods and format; (4) format for a public quality performance measurement report; (5) human resources and quality measurements; (6) medical error reduction methods; (7) systems for sharing and implementing universally accepted best practices; (8) outcome data reporting systems; (9) continuum of care systems; and (10) any other issues deemed appropriate by DPH.

QUALITY OF CARE ADVISORY COMMITTEE

The bill establishes a 23-member advisory committee for the program to advise DPH on the quality of care issues listed above and on other issues it deems appropriate. The committee must meet at least quarterly and is chaired by the DPH commissioner or his designee. The Department of Social Services commissioner and the Office of Policy and Management (OPM) secretary are also members. The following members both represent and are appointed by the following:

1. four members by the Connecticut Hospital Association, including three who represent three separate unaffiliated hospitals, one of which is an academic medical center;
2. one by the Connecticut Nursing Association;
3. two by the Connecticut Medical Society, including one who is an active medical provider;
4. two by the Connecticut Business and Industry Association, including one representing a large business and one a small one;
5. one by the Home Health Care Association;
6. one by the Long Term Care Association;
7. two by the AFL-CIO;
8. one member appointed by the Office of Health Care Access;
9. two members representing licensed health plans appointed by the Connecticut Association of Health Care Plans;
10. one member by the federally designated state peer review organization; and
11. one member by the Connecticut Pharmaceutical Association.

The final two members are (1) one representing health care consumers and (2) one member representing a school of Public Health appointed by the DPH commissioner.

The advisory committee can change the number of members on the committee by a vote of at least two-thirds of its members. The chairperson can recommend to the committee changes to the number of members. Vacancies must be filled by the person making the appointment.

The chairperson can designate working groups to address specific issues and appoints the members of such groups. Each working group must report its findings and recommendations to the full committee.

REPORTING REQUIREMENTS

Annual Report

The bill requires the DPH commissioner to report annually, beginning January 1, 2003, on the quality of care program to the Public Health Committee and to the governor. Each report must address activities of the program in the prior year and its plan for the upcoming year.

Hospital Comparison Report

The bill also requires DPH to prepare a report for the public, by April 1, 2004, that compares all licensed hospitals in the state based on the quality performance measures developed by the quality program.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 21 Nay 2